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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/560,215	04/28/2000	Max Levchin	X00-001	3676
22200	7590	11/15/2004	EXAMINER	
PARK, VAUGHAN & FLEMING LLP 702 MARSHALL STREET SUITE 310 REDWOOD CITY, CA 94063			BASHORE, ALAIN L	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 11/15/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/560,215	LEVCHIN ET AL. 	
	<b>Examiner</b>	<b>Art Unit</b>	
	Alain L. Bashore	3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on 10 June 2004.

2a) This action is FINAL.                    2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-37 and 39-47 is/are pending in the application.

4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-37 and 39-47 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All    b) Some \* c) None of:

1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date. _____.
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
	6) <input type="checkbox"/> Other: _____.

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 103***

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1-4, 6, 8, 10-11, 20, 22, 24-25, 39, 42 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy.

Walker et al ('300) discloses a method of facilitating a value exchange between multiple users in a system using a network. A first user is associated with the system (customer). The value exchange system receives a value exchange transaction from the first user (upsell offer), wherein said transaction involves a second user (upsell provider). A second user is registered with the value exchange system and a pre-existing identifier of the second user is present, wherein the preexisting identifier enables communication with the second user independent of the value exchange system (col 5, lines 14-60). A value is transferred between the first user and the second user (money for service). Value is allocated between said first account and a second account associated with the second user (col 9, lines 9-14). The first user sends the value exchange transaction to the value exchange system without informing the second

user of the value exchange transaction, also prior to electronically sending notification to the second user, there is allocated the value between the first and second user associated with the second user (col 9, lines 14-22).

Walker et al does not explicitly describe their system as either a: "value exchange", "distributed exchange", "distributed transaction", or "distributed financial services". Since Walker et al involves value that is exchanged, there is present a system that is value exchange. Since Walker et al involves the distribution of exchange and transactions, there is present a system that is a: value exchange, distributed exchange, distributed transaction and distributed financial service.

It would have been obvious to one with ordinary skill in the art to include to Walker et al separate servers for synchronization, communication, financial, and security for the purposes of network efficiencies per se.

Walker et al does not disclose:

- a first user (the buyer) being registered;
- a pre-existing identifier as a telephone number;
- value to be exchanged is receivable by the second user through a debit card; and,
- security providing asymmetric cryptographic scheme or a digital transaction certificate authentication.

Shkedy discloses a first user as being registered ( col 13, lines 61-67), a pre-existing identifier as a telephone number (col 13, 61-67; col 14, 1-6), value to be exchanged is receivable by the second user through a debit card (col 11, lines 13-20) and security providing asymmetric cryptographic scheme or a digital transaction certificate authentication (col 10, lines 63-67).

It would have been obvious to one with ordinary skill in the art to include a first user being registered because Shkedy teaches such as required to use a value exchange system (col 13, lines 64-65).

It would have been obvious to one with ordinary skill in the art to include a pre-existing identifier as a telephone number because Shkedy teaches such as useful for identification purposes and as required data.

It would have been obvious to one with ordinary skill in the art to include value to be exchanged is receivable by the second user through a debit card because Shkedy teaches such as a type utilized for value transfer.

It would have been obvious to one with ordinary skill in the art to include security providing asymmetric cryptographic scheme or a digital transaction certificate authentication because Shkedy teaches such for security purposes.

Walker et al further does not disclose buyers identifying sellers by electronic mail address.

Shkedy discloses buyers identifying sellers (or value receivers) by electronic mail address (col 6, lines 40-47).

It would have been obvious to one with ordinary skill in the art to include buyers identifying sellers by electronic mail address because Shkedy discloses various means of communication between users of a value exchange system.

3. Claims 5, 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy as applied to claims 1 and 3 above, and further in view of Doggett et al.

Claims 34-38, 44-47 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Doggett et al.

Walker et al ('300) in view of Shkedy does not disclose value is receivable by the second user as a redeemable voucher or web certificate.

Doggett et al discloses the value is receivable by the second user as a redeemable voucher (fig 6, col 12, lines 66-67; col 13, lines 1-11) or web certificate (col 123, lines 12-26).

It would have been obvious to one with ordinary skill in the art to include the value is receivable by the second user as a redeemable voucher or web certificate because Doggett et al teaches such as alternative means for conveyance of value.

Walker et al ('300) in view of Shkedy further does not disclose "wherein no term of said value exchange is negotiable by the second user".

Doggett et al discloses wherein no term of said value exchange is negotiable by the second user, i.e.: inherent to a redeemable voucher (fig 6, col 12, lines 66-67; col 13, lines 1-11) or web certificate (col 123, lines 12-26).

It would have been obvious to one with ordinary skill in the art to include wherein no term of said value exchange is negotiable by the second user because Doggett et al teaches such as alternative means for conveyance of value.

4. Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Doggett as applied to claim 5, and further in view of Remington et al

Doggett in view of Kasai et al does not explicitly disclose the redeemable voucher including an electronic advertisement.

Remington et al discloses a redeemable voucher including an electronic advertisement (213; fig 7, col 10, lines 30-33).

It would have been obvious to one with ordinary skill in the art to include an electronic advertisement in the redeemable voucher to Doggett in view of Kasai et al because of what is taught by Remington et al. Remington et al teaches advertisements for the purposes of providing new services or for target marketing by a system provider (col 14, lines 60-67)

5. Claims 12-16, 18-19, 30-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy as applied to claims above, and further in view of Nikander.

Claim 41 is rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Doggett further in view of Nikander.

Walker et al ('300) in view of Shkedy does not disclose "wherein said amount is non-negotiable by the second user".

Doggett et al discloses wherein said amount is non-negotiable by the second user, i.e. inherent to a redeemable voucher (fig 6, col 12, lines 66-67; col 13, lines 1-11) or web certificate (col 123, lines 12-26).

It would have been obvious to one with ordinary skill in the art to include wherein no term of said value exchange is negotiable by the second user because Doggett et al teaches such as alternative means for conveyance of value.

Walker et al ('300) in view of Shkedy further do not explicitly disclose:

establishing a link between a first user's mobile computing device a second user on a mobile client device for the value exchange transaction through a wireless network; and

the mobile communication device is: a personal digital assistant or a telephone.

Nikander discloses establishing a link between a first user's mobile computing device a second user on a mobile client device for the value exchange transaction through a wireless network (fig 6). Nikander also discloses a personal digital assistant (206), a telephone (202).

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It would have been obvious to one with ordinary skill in the art to establishing a link between a first user's mobile computing device a second user on a mobile client device for the value exchange transaction through a wireless network to Walker et al ('300) in view of Shkedy because of what is taught by Nikander. Nikander teaches that it is advantageous to use mobile communication for financial transactions (col 11, line 59).

It would have been obvious too one with ordinary skill in the art to include either a personal digital assistant a telephone because Nikander discloses functional equivalency in absence of unexpected or unobvious results.

6. Claim 17 is rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Nikander as applied to claims 14 above, further in view of Borgatahi et al.

Walker et al ('300) in view of Shkedy in further view of Nikander does not explicitly disclose two-way pagers.

Borgatahl et al discloses two-way pages (col 5, lines 20-30).

It would have been obvious to one with ordinary skill in the art to include two-way pagers as an alternative for establishing a link to users because Borgatahl teaches functional equivalence (col 5, lines 20-30).

7. Claims 21, 23, 26-28, 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy as applied to claims above, and further in view of Downing et al.

Claims 26-28, and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Doggett et al and Downing et al.

Walker et al ('300) in view of Shkedy further does not disclose "wherein no term of said value exchange is negotiable by the second user".

Doggett et al discloses wherein no term of said value exchange is negotiable by the second user, i.e.: inherent to a redeemable voucher (fig 6, col 12, lines 66-67; col 13, lines 1-11) or web certificate (col 123, lines 12-26).

It would have been obvious to one with ordinary skill in the art to include to wherein no term of said value exchange is negotiable by the second user because Doggett et al teaches such as alternative means for conveyance of value.

Walker et al ('300) in view of Shkedy further does not explicitly disclose:  
value that may be converted from between currencies;

value that may be held in escrow with an escrow party; and  
an identifier of a second user not registered with the distributed  
transaction system.

Downing et al discloses: an identifier of a second user that is not registered (col 7, lines 6-17). Also disclosed is: value converted from between currencies that depends on the pre-existing identifier (col 9, lines 22-26), and value held in escrow with an escrow party (col 8, lines 45-67).

It would have been obvious too one with ordinary skill in the art to include an identifier of a second user that is not registered because Downing et al teaches at there are customers that are not readily available to access registered systems (col 1, lines 55-67; col 2, lines 1-36 ) buy need quick access to value transfers (col 3, lines 24-26).

It would have been obvious too one with ordinary skill in the art to include value that may be converted from between currencies that depends on the pre-existing identifier because of what is taught by Downing et al. Downing et al teaches value exchange may require currency conversion if international in nature (col 9, lines 22-26).

It would have been obvious too one with ordinary skill in the art to include value that may be held in escrow with an escrow party because of what is taught by Downing

et al. Downing et al teaches advantages of the sender to have an escrow (col 8,lines 45-67).

8. Claim 29 is rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al ('300) in view of Shkedy in further view of Downing as applied to claims above, and further in view of Nikander.

Doggett et al in view of Kasai et al in further view of Downing does not explicitly disclose an instruction received through a mobile communication device.

Nikander discloses establishing a link between a first user's mobile computing for the value exchange transaction through a wireless network (fig 6).

It would have been obvious to one with ordinary skill in the art to include an instruction received through a mobile communication device because of what is taught by Nikander. Nikander teaches that it is advantageous to use mobile communication for financial transactions (col 11, line 59).

### ***Response to Arguments***

9. Applicant's arguments with respect to claims of record have been considered but are moot in view of the new ground(s) of rejection.

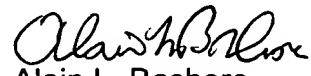
***Conclusion***

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Alain L. Bashore whose telephone number is 703-308-1884. The examiner can normally be reached on about 7:00 am to 4:30 pm (Monday thru Thursday).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Alain L. Bashore  
Primary Examiner  
Art Unit 3624